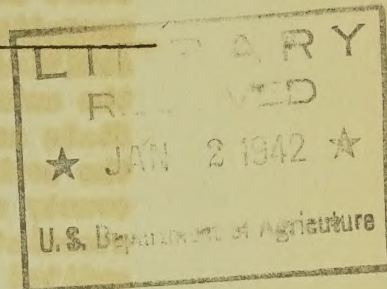


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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
North Central Division

State Office Procedure Relating to County
Agricultural Conservation Associations
in the North Central Region
1942 Program



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PART I. GENERAL

The Administrative and Fiscal Sections under the direction of the State committee shall have supervision over the organization and operation of the county agricultural conservation associations, the auditing and scheduling of county association expense accounts, and the auditing of county association fiscal records. A member of the State committee shall be designated by the State committee to direct the work of the Sections. Each State office shall have at least two county association auditors who shall audit the records of all county associations. The records and accounts of each association shall be audited twice during the year 1942. The first audit shall be made within the period January 1 to June 30, 1942, and the second audit shall be made within the period July 1 to December 31, 1942. Additional audits shall be made with each change in the county association treasurer and at such other times as the State committee deems advisable. The major job of the auditor is to audit association records and accounts and other work shall not be assigned him unless the audit work is current.

The work of the Administrative and Fiscal Sections will include the handling of the administrative work originating in or applicable to county associations including the handling of organization forms, articles of association, county association inventories of equipment and furniture, rates of payment for personal services and automobile travel, purchases of equipment, furniture, supplies, and services by county associations, and filing systems used in county offices. Under the direction of the State committee, the Administrative and Fiscal Sections will prepare correspondence and supervise contacts with county associations relative to the functions heretofore listed.

The increased responsibilities which have been placed on the Administrative and Fiscal Sections, and the increased volume of work resulting therefrom, make it necessary that there be close supervision and study of the operation of the county associations by members of the State committee and by the Administrative and Fiscal Sections. This supervision and study should make possible the operation of county associations on a more efficient and economical basis.

The person in charge of the Administrative and Fiscal Sections and the county association auditors shall confer with the county committees and the farmer fieldmen regarding county office personnel problems and general office management problems, such as proper location and arrangement of the office, adequate space, furniture, and equipment, filing of forms and material, and the distribution of work so as to utilize regular employees of the county association as much as possible. A report shall be made to the State committee concerning each county association visited by the auditors, indicating any recommendations for changes and improvements. Such recommendations may be made to the county committees only upon authorization by the State committee.

PART II. OATH OF OFFICE AND SERVICE OBLIGATION -
FORM ACP-88, REVISED

The following committeemen, officers, and employees of a county agricultural conservation association must sign Form ACP-88, Revised, Oath of Office and Service Obligation (For convenience the word "Revised" is hereinafter omitted wherever reference is made to Form ACP-88, Revised):

Each county committeeman
Secretary-treasurer (if the two offices are held by the same person)
Secretary
Treasurer and assistant treasurer
Chief clerk
Consignees of conservation materials
Any other person employed by an association who will handle funds of the association or for the association or who will issue receipts in behalf of the association, including any person designated to assist the association treasurer in handling any of that officer's duties.

The Administrative and Fiscal Sections shall determine that, for each person required to execute Form ACP-88, there is on file a properly executed original of such form. If any person required to sign Form ACP-88 refuses to do so, the case should be referred to the North Central Division for further instructions, and such person shall not engage in any work of the association or be paid for any time pending instructions from the Division.

PART III. TITLES, RATES OF PAYMENT, AND BASIS FOR APPROVAL
OF MISCELLANEOUS ITEMS IN CONNECTION WITH EXPENSES
OF COUNTY AGRICULTURAL CONSERVATION ASSOCIATIONS

The person in charge of the Administrative and Fiscal Section shall determine that all county agricultural conservation associations in the State have submitted lists of titles and rates for personal services and travel which have the signed approval of the county committee.

A. Rates of Payment for Personal Services

The State committee will furnish to each association a list showing the maximum rate of pay that may be paid under each title. Rates of payment for personal services adopted by the county committee and approved by the State committee should be shown for each title under which services will be performed. All rates for personal services shall be on a per diem basis. No provision shall be made for a per hour, per week, per month, per year, or per unit rate of payment for personal services.

1. Committeemen and others

a. County committeemen, community committeemen, review committeemen, sugar beet allotment committeemen, county referendum committeemen, community referendum committeemen, performance supervisors, chief of party--farm reporter ground control, crop insurance representatives, crop insurance adjusters, commodity loan supervisors, commodity loan inspectors, steel bin inspectors, range inspectors, field assistants, county farmer fieldwoman, delegates.

b. Farm reporter, farm reporter--sugar, and farm reporter--ground control.

\$5.50 maximum rate per day shall be paid only if the volume of business or other special conditions justify this rate.

2. Clerical

a. Chief clerk, secretary-treasurer, secretary, or treasurer

\$5.50 maximum rate per day. (Not more than one office employee in any one office should be paid at the maximum rate.)

b. Assistants to farm reporters or range inspectors

\$2.50 maximum rate per day.

c. Office assistants and assistant treasurer

This rate should be comparable with payments for similar work private work in such county.

3. Laborers

a. Corn storage or other authorized laborers

This rate should be comparable with payments for similar private work in such county.

Community referendum committeemen shall be paid at the same rate paid community committeemen. County committeemen serving as county referendum committeemen shall be paid the same under both titles (in counties with less than 50 wheat farms, in which the county committee will hold the referendum in lieu of community referendum committeemen).

Review committeemen shall be paid at the rate paid county committeemen in the county in which the review committeeman is working.

Sugar beet allotment committeemen shall be paid at the same rate paid county committeemen in the county in which the sugar beet allotment office is located or at a rate determined by the State committee.

Child labor performance checkers shall be designated on Form ACP-21 and on Forms ACP-9 and ACP-10 under the title Farm Reporter--Sugar. The rate of pay will be the same as for farm reporters in the county. This expense will be included with the expenses incurred in administration of the Sugar Beet Program for sugar beet rate of deduction purposes and is not to be included on Form NCR-County No. 26-A.

In keeping with the minimum wage policy of the Department of Agriculture no employee of a county agricultural conservation association office may be employed at less than \$2.40 per day.

B. Rates of Payment for Travel

Payment for travel may be made at a rate not to exceed three cents per mile, only to: county committeemen, county referendum committeemen, review committeemen, sugar beet allotment committeemen, performance supervisors, range inspectors, assistants to range inspectors, crop insurance representatives, crop insurance adjusters, commodity loan supervisors, commodity loan inspectors, steel bin inspectors, chiefs of ground control parties working on aerial survey while actually engaged in field work as chiefs of ground control party, county farmer fieldwomen, and delegates to the county convention.

C. Miscellaneous Items

The purchase of miscellaneous items by any association shall be approved on the basis of instructions covering such items in NCR-604.

PART IV. PROCEDURE FOR HANDLING PAYMENTS BY COUNTY
ASSOCIATIONS TO PERSONS PERFORMING COUNTY
WORK IN THE STATE OFFICE UNDER A COOPERATIVE
AGREEMENT BETWEEN THE STATE COMMITTEE AND
THE COUNTY COMMITTEE

Personnel Time Record.--The time record of persons performing work for county associations in the State office under cooperative agreements will be maintained in the State office in the same manner as the time record of State office employees. At the end of each month the section of the State office having supervision over the county work performed in the State office will furnish to the person in charge of the Fiscal Section a list showing the following:

1. Names of persons employed in the State office during the month on county work on a cooperative basis.
2. Number of days (dates) or fractional days work performed by such persons on county work.
3. Number of days work or fractional days work performed for each county.

Form ACP-21.--This form shall be prepared in the Fiscal Section in such a manner that a minimum number of such forms are sent to any county and a minimum number of forms are prepared for each employee. More than one form may be prepared for a person where it is not possible to have only one form for such person. However, the number of Forms ACP-21 for any person should be kept as low as possible. The original Form ACP-21 should be mailed to the county association and the duplicate filed in the Fiscal Section.

Adjustment of Per Diem Rates of Payment.--If the per diem rate paid to a person working on county work in the State office differs from the rate paid by county associations for similar services, the Fiscal Section will obtain from the county committee an amendment to the list of approved titles and rates for such county, making provision for payment of the rate necessary to cover county work done in the State office.

Distribution of Checks and Preparation of Receipt Forms.--When checks are received from the county association treasurer for county work performed in the State office, the person in charge of the Fiscal Section will deliver such checks to the payees named thereon. Signed receipt Forms ACP-12, in duplicate, will be obtained from the payees. Both the original and the duplicate of Form ACP-12 will be mailed to the county association. Before a check for county work is delivered to an employee working in the State office, such checks will be compared with the copies of Forms ACP-21 in the files of the Fiscal Section to determine that each employee receives all the checks to which he is entitled for services during the period. The number of the check should be entered on the Form ACP-12 to which it pertains.

PART V. PROCEDURE FOR THE EXAMINATION, CERTIFICATION, AND
SCHEDULING OF COUNTY ASSOCIATION EXPENSE FORMS

Examination of Forms

The Fiscal Section shall make the following examination of expense forms. Vouchers shall not be approved unless Form NCR-County No. 17 for the month is attached.

1. Form ACP-8

- a. Determine that the name of the treasurer (the payee) is correct and that such treasurer has transmitted to the State office a signed Form ACP-88, Oath of Office and Service Obligation.
- b. Determine that the address shown for the treasurer is the correct address of the county association.
- c. Determine that the names of persons signing as chairman or acting chairman, secretary or acting secretary, are correct and that such persons are authorized to sign in such capacities, and that they have transmitted to the State office signed Forms ACP-88.
- d. Determine that the entries in the heading of Form ACP-8 have been properly made in accordance with instructions in NCR-604, Part VIII. Such information on Form ACP-8 should agree with the entries after "Statement No.", "For month of," and Code No." on the related set of Forms ACP-9 and ACP-10. If any of these entries are incorrect, make the necessary correction in red ink.
- e. Enter opposite the word "Appropriation" the appropriation from which county administrative expenses are paid.
- f. The entry opposite "The United States, Dr. To:" should be the name of the treasurer of the association followed by the abbreviation: "Treas.", the name of the county, and the abbreviation, "Co. ACA." For example, "John A. Doe, Treas., Adams Co. ACA."
- g. Determine that line 6 of Form ACP-8 has been changed to read as follows: "Amount of expenses for period (as per Form ACP-9, attached)." Correct if necessary in red.
- h. Determine that the word and symbol "For \$" appearing immediately above the space for the signature of the State Executive officer have been deleted. Make the deletion if necessary using red ink.

- i. Determine that the entry on line 1(a) of Form ACP-8 is the same as that on line 3 of Form ACP-8 submitted for the previous period, if such entry on line 3 was correct. If such entry on line 3 was incorrect, determine that the entry on line 1(a) of Form ACP-8 is the same as the entry on line 3 of the column headed "Correct Amount" in Section II of Form ACP-37 for previous period.
- j. Determine that the entry on line 1(b) of Form ACP-8 is the amount of the check received for the previous period. If the check for the previous period had not been received at the time the current voucher was submitted, a zero should have been entered on line 1(b) of Form ACP-8. If two checks have been received since the submission of Form ACP-8 for the previous period, determine that Form ACP-8 for the current period shows the number and amount of each check on line 1(b).
- k. The amount appearing on line 1(c) of Form ACP-8 will represent collections made by the treasurer of the association since the submission of the previous voucher Form ACP-8 (such collections should not include collections for commodity loan fees, protein analysis fees, crop insurance premiums, or marketing quota penalties). When an entry appears on line 1(c), determine that there is attached to Form ACP-8 a Form NCR-County No. 23, Summary of Collections, signed by the treasurer and approved by the chairman of the association, explaining the source of such collections.
- l. The amount appearing on line 5 of Form ACP-8 will represent the unobligated balance. Such balance will include amounts arising from
 - (1) Collections.
 - (2) Overclaims.
 - (3) Cases in which the check for a previous period has not been received.
 - (4) Cases in which it was not possible to approve form ACP-8 for the previous period for the amount shown on the corresponding sets of Forms ACP-9 and ACP-10, as corrected. If the balance includes only items (1) and (2), it will not be preceded by a minus sign. If it includes only items under (3) and (4), it will be preceded by a minus sign. If it includes items from several sources, the amount attributable to each source will determine whether the entry will be a positive or a negative figure. When an entry requiring explanation appears on line 5,

determine that there is attached to Form ACP-8 a memorandum over the signature of the chairman or other member of the committee fully explaining the unobligated balance.

- m. Determine that all erasures or corrections made in the county office appearing on Form ACP-8 have been initialed by the chairman or secretary of the association who signed Form ACP-8.

2. Forms ACP-9 and ACP-10

- a. Make the same determination with respect to persons signing as chairman or acting chairman and secretary or acting secretary as described under 1-c above.
- b. Determine that the entries in the heading of Forms ACP-9 and ACP-10 have been made in accordance with instructions in NCR-604, Part VIII. If any of these entries are incorrect, make the necessary corrections in red ink.
- c. Determine that no claim for salary is being made in the name of a county agricultural agent or other employee of the Extension Service being paid in whole or in part from funds furnished by the Federal Government.
- d. Determine that the rate of payment for personal services and travel shown for each person is not in excess of the rate provided in the list of approved titles and rates for the title under which the service and travel was performed or is not less than 30 cents per hour for an eight hour day. If the rate claimed is in excess of the approved rate, draw a red line through the rate shown in column 5 or column 7 so that the rate shown remains legible, and enter the correct rate in the nearest available space. Draw a line through the entries in columns 6, 8, and 9 so that the entries shown remain legible, and compute and enter the correct entries in red ink in the nearest available space on all copies of Forms ACP-9 and ACP-10. If any item cannot be approved, suspend the item by drawing a line through the item in such a manner as to leave the original entry legible.

- (1) If the name of a claimant does not appear in column (1) opposite each amount shown in columns (3) to (9), inclusive, delete all corresponding entries. The claimant's name may be regarded as acceptable even though the middle initial in such name is omitted.

- (2) Determine that all dates upon which service was performed have been entered in column (3). Where consecutive days are claimed, the first and last dates, inclusive, will be considered sufficient. If fractional days are claimed, the fraction will be shown in parentheses after such date. If service was performed on Sundays or holidays, there must appear a notation indicating that services were necessary and were performed for the association on those days and such notation must be signed by the chairman and the secretary of the association. In case "leave with pay" is listed for a legal holiday, the date of the legal holiday must be enumerated as indicated in NCR-604 or a statement signed by the chairman and the secretary must be attached in support of the claim. Determine whether a claimant's name appears more than once in column (1) of Form ACP-9 or ACP-10 and if so whether there is any duplication in the dates for which claim for services is made. If a supplemental claim for an individual is included, exercise special care to make certain that claim for a date or dates listed in the supplemental claim has not also been included on Form ACP-9 or ACP-10 for the period to which such supplement pertains. If a supplemental claim is filed for time or mileage, the Forms ACP-21 on which such time or mileage is claimed shall be forwarded to the State office for examination. If duplications in dates are found in any of the above instances, disallow the claim for compensation for such date in all columns of all forms. The State office should require not less than fifteen percent of its counties to forward all original Forms ACP-21 with the vouchers each month. All forms ACP-21 forwarded to the State office shall be returned to the county office.
- (3) Determine that the number of days shown in column (4) is equal to the number of days for which dates are reported in column (3).
- (a) If the number of days reported in column (4) is in excess of the number reported in column (3), reduce the number in column (4) accordingly, using red ink.
- (b) If the number of days reported in column (4) is less than the number reported in column (3), do not correct the error but place an asterisk (*) opposite the erroneous item, using red ink.

- (4) (a) If the "Rate per Day" shown in column (5) is in excess of the rate specified in the list of approved titles and rates, correct the rate in column (5) of all copies of Forms ACP-9 and ACP-10 accordingly.
- (b) If the "Rate per Day" shown in column (5) is less than that specified in the list of approved titles and rates, do not change the rate.
- (5) (a) If the "Rate per Mile" as shown in column (7) is in excess of the rate specified in the list of approved titles and rates, correct in each the rate per mile shown in column (7) of all copies of Forms ACP-9 and ACP-10 accordingly.
- (b) If the "Rate per Mile" shown in column (7) is less than that specified in the list of approved titles and rates, do not change the rate.
- (c) Determine that mileage has been claimed only for persons working under titles for which mileage is provided in the list of approved titles and rates.
- e. Determine with respect to that part of Form ACP-9 entitled "Miscellaneous" that all items listed on Form ACP-9 have been entered in accordance with instructions covering such items in NCR-604, and that prices shown for miscellaneous purchases and services are not excessive. If any item listed on Form ACP-9 or a supporting invoice or document cannot be approved, suspend such item by drawing a line through the item and related entries in such a manner as to leave the original entries legible.
- f. Determine that all erasures or corrections made in the county office on Forms ACP-9 and ACP-10 have been initialed by the persons signing as chairman and secretary of the association.
- g. If the total amount of expenses for any one month or the amount under any title or classification appears excessive, call the matter to the attention of the Chief of the Administrative and Fiscal Sections.

3. Forms ACP-11

In the examination of Forms ACP-11 delete those items appearing thereon which have not been receipted for in accordance with the procedure hereinafter set forth.

- a. Determine that the "Receipt No." and "Code No." appearing on Form ACP-11 correspond with the "Statement No." and "Code No.", respectively, appearing on the copy of Form ACP-9 submitted for the same period. Make such corrections in red ink as are necessary.
- b. Determine that the other data entered in the heading of Form ACP-11 have been properly entered. Make such corrections in red ink as may be necessary.
- c. Determine that for each name appearing in the first column of Form ACP-11 there is an amount in the second column and a signature in the third column, or if there is no signature in the third column that there is a signed Form ACP-12, or a canceled check, covering such item.
- d. Determine that the names and amounts appearing in columns 1 and 2, respectively, of Form ACP-11 correspond with the names and amounts (approved items only) appearing in columns 1 and 9, respectively, of Forms ACP-9 and ACP-10 covering the same period. If the amount is less than that appearing on Forms ACP-9 or ACP-10, determine that the difference is adequately explained; and if the amount is greater than the amount appearing on Form ACP-9 or ACP-10, delete such item.
- e. Determine that the signature in column 3 of Form ACP-11 corresponds with the name appearing in column 1 of Form ACP-9 or ACP-10. The receipt shall be considered acceptable irrespective of minor differences in spelling so long as it can reasonably be determined that the signature and the name are that of the same person. Where Form ACP-12 or a canceled check is submitted in lieu of a signature in column 3 of Form ACP-11, a notation should have been made in column 3 of Form ACP-11 to the effect that Form ACP-12 or a canceled check is attached. Make such notation if necessary. In such cases, check the signatures on such forms or the names of the payees on the canceled checks against the names appearing in column 1 of Form ACP-9 or ACP-10.
- f. If the signature in column 3 of Form ACP-11 or the signature on Form ACP-12 is that of a person other than that appearing in column 1 of Form ACP-9 or ACP-10, a power-of-attorney must have been submitted signed by the person whose name appears in column 1 of Form ACP-9 or ACP-10, authorizing the person whose signature appears on Form ACP-11 or ACP-12 to receive the check.

Exceptions.—(1) A power-of-attorney need not be submitted where an officer or authorized employee

signs Form ACP-11 or ACP-12 on behalf of a firm or corporation listed as a claimant on Form ACP-9. The person signing for a firm or corporation must sign the name of the firm or corporation followed by his own name and title; for example, Joe Brown & Company by Tom Brown, Secretary.

(2) A power-of-attorney need not be submitted in the case of claims, other than claims for personal services and travel, for which the check is delivered to and receipt is signed by some other person whom the treasurer knows to have authority to act for the claimant. The person signing Form ACP-11 should sign the name of the original claimant followed by his or her name.

- g. If the payee died or has been declared incompetent and someone has been authorized to receive payments in his behalf, a certified copy of the court order should have been attached to the original Form ACP-11. The short certificate Form AAA-327 may be used for this purpose. The representative authorized by the court should have signed Form ACP-11 in the following style:

John Doe, Executor for Alice Doe Estate

- h. If the payee died and there will be no administration upon his estate, the State committee shall examine the data on Standard Form 1055, prepared and submitted by the county committee in such cases, and determine to whom payment shall be made. Such determination shall be made on the basis of the laws of descent and distribution for the State, a brief of which will be found in Part IV of APS-1 Revised. The treasurer of the association shall be advised to whom to make payment and to obtain a receipt on Form ACP-11 or ACP-12 comparable to one of the following:

Alice Doe, Mary Doe, and Richard Doe,
heirs at law of John Doe, deceased

or

Richard Roe, payer of funeral expenses
of John Doe, deceased

A copy of Form 1055 should be attached to the original Form ACP-11

- i. If the signature of a payee on Forms ACP-11 or ACP-12 is by mark, or is printed, or is in foreign script, such signature must be witnessed by two witnesses.
- j. Prepare and attach an adding machine tape for figures appearing on Form ACP-11 in the column headed "Amount." Do not include in this addition the amounts which have been deleted.

k. Check the total on the adding machine tape against the total of the second column of Form ACP-11. If there is a discrepancy, check the individual items on the adding machine tape against the individual items appearing in the second column of Form ACP-11. Make such corrections as may be required in the total of the second column of Form ACP-11.

l. Determine that the total of the acceptable receipts is equal to the amount shown on line 6 of Form ACP-8 covering the period for which such receipts were submitted or the entry in line 6 of the "correct amount" column of Form ACP-37, if such form was prepared. Any difference between such totals should be accounted for in a memorandum over the signature of the chairman or secretary of the association explaining such difference. If the total of the acceptable receipts is not equal to the amount shown on line 6 of Form ACP-8 as stated above, and the difference is not accounted for as an overclaim, the balance may be accounted for temporarily by a showing on the part of the treasurer of the association that it was impossible to procure receipts for such balance due to reasons or circumstances beyond his control.

m. If receipts for certain items appearing on Form ACP-11 are found to be unacceptable, or if the amount shown in line 6 of Form ACP-8 covering the period for which receipts were submitted, as corrected by Form ACP-37, has not been fully accounted for, prepare a letter to the treasurer of the association. Such letter should

(1) Identify the Form ACP-11 to which exception has been taken.

(2) Set forth the deficiencies in such Form ACP-11.

(3) Request the treasurer of the association to prepare and submit a supplemental or corrected Form ACP-11 covering the items set forth under (2) above.

n. When it has been determined that the amount appearing on line 6 of Form ACP-8 for a previous period or as corrected on line 6, Section II on Form ACP-37, has been fully accounted for, stamp on the office copy of Form ACP-8a "Funds accounted for." The examining clerk shall enter

his initials immediately beneath the stamped notation. If such amount has not been fully accounted for, enter in the lower left-hand corner of Form ACP-8a, opposite the space provided for the signature of the certifying officer, the following:

Amount to be accounted for \$ _____
Amount accounted for \$ _____
Balance to be accounted for \$ _____

Enter in the first blank space the amount appearing on line 6, or as corrected on line 6, Section II on Form ACP-37. Enter in the second blank space the amount for which acceptable receipts have been obtained plus the amount, if any, for which receipts need not be submitted. Enter in the third blank space the difference between the entry in the first blank space and the entry in the second blank space. When supplemental receipts are received covering the "Balance to be accounted for" stamp on the office copy of Form ACP-8a "Funds accounted for." The examining clerk shall enter his initials immediately beneath the stamped notation.

- o. If there is on file a Form ACP-8a which has not been stamped "Funds accounted for," which was paid 60 days or more prior to the last day of the current period, the current voucher (Form ACP-8) shall not be approved until there has been a proper accounting for the funds provided for under the 60-day old voucher, except where the treasurer of the association has made a showing that receipts covering the "Balance to be accounted for" could not be obtained due to reasons or circumstances beyond his control.
- p. Determine that the person signing as treasurer is the same as the person shown as payee on Form ACP-8 in connection with which payment of the items listed on Form ACP-11 was made to the association and that the person signing as treasurer is properly authorized to sign in such capacity.

Computations

1. Computations in connection with Forms ACP-8 and related forms.--
 - a. Rule of fractions. Fifty hundredths of a cent or less shall be dropped and fractions in excess of fifty hundredths shall be considered a whole cent.
 - b. Forms ACP-9 and ACP-10.--If in verifying the computed entries on Forms ACP-9 and ACP-10, it is found that a computed entry is in excess of the amount which should have been

entered, delete such entry and insert the correct entry in the nearest available space. The correction shall be made on the original and all copies of Forms ACP-9 and ACP-10 in red ink. If it is found that a computed entry shown on Form ACP-9 or ACP-10 is less than the amount which should have been shown, do not correct the erroneous entry appearing in column (4), (6), (8), or (9) opposite miscellaneous items, on the original or any of the copies of Forms ACP-9 and ACP-10, but enter an asterisk (*) immediately opposite such entry. However, where an entry in column (9) of Form ACP-10 or in column (9) of Form ACP-9, except that part thereof entitled "Miscellaneous," is less than the correct amount and it appears that such erroneous entry was the result of the incorrect additions of column (6) and (8) or an incorrect transfer from such columns, delete the erroneous entry and enter the correct entry in red ink in the nearest available space on the original and all copies of Form ACP-9 and ACP-10. Where the total of column (9) of Form ACP-10 or the entry opposite the words "Brought Forward" on Form ACP-9 or the total of column (9) of Form ACP-9 is less than the correct amount due to an error in addition of column (9) or transfer to such column, delete the erroneous entry and enter the correct entry in red ink in the nearest available space on the original and all copies of Forms ACP-9 and ACP-10.

(1) Verify the computed entries on Form ACP-10 and that part of Form ACP-9 entitled "Personal Services and Use of Automobiles on Mileage Basis" as follows:

- (a) Determine that the entry in column (4) is equal to the total number of days reported in column (3).
- (b) Determine that the entry in column (6) is equal to the product of the entry in column (4) times the entry in column (5).
- (c) Determine that the entry in column (8) is equal to the product of the entry in column (7) times the rate per mile shown in the heading of column (7).
- (d) Determine that the entry in column (9) is equal to the entry in column (6) plus the entry in column (8).
- (e) Determine that the amount entered in column (9) of Form ACP-10 opposite the words "Total forward" is equal to the sum of the correct entries in column (9) of Form ACP-10.

(f) Determine that the entry in column (9) of Form ACP-10 opposite the words "Total forward" has been transferred correctly to column (9) of Form ACP-9 opposite the words "Brought forward." If the total of column (9) of Form ACP-10 has been corrected, correct in red the entry opposite the words "Brought forward" on Form ACP-9 accordingly.

(2) Verify the computed entries in that part of Form ACP-9 entitled "Miscellaneous" as follows:

(a) Determine in all cases, where the quantity and price per unit is shown on Form ACP-9, that the entry in column (9) is equal to the product obtained by multiplying the entry in the column headed "Quantity" by the entry in the column headed "Price per Unit."

(b) Verify all computations on commercial bills and invoices. If such computations indicate that the corresponding entry on Form ACP-9 should be lowered, delete such entry and enter the corrected entry in the nearest available space. If such computations indicate that the corresponding entry on Form ACP-9 should be raised, do not correct the erroneous entry, but enter an asterisk (*) immediately opposite such entry.

(3) Total of Form ACP-9.

Determine that the entry in column (9) opposite the word "Total" is equal to the sum of the correct and corrected entries in column (9).

c. Form ACP-8 and the preparation of Form ACP-37.--(1)
Corrections required in connection with Form ACP-8.--If in making the determination outlined in this paragraph c, it is determined that a mathematical or typographical error has been made in making the entries on lines 1 to 7, inclusive, of Form ACP-8, make no correction on Form ACP-8 or any of the copies thereof, but prepare Section II of Form ACP-37 so as to reflect in the column headed "Correct Amount" the items on Form ACP-8 as approved.
For example:

(a) If the entry appearing on line 3 of the previous voucher was \$100, and no correction of such amount was made on Form ACP-37, that figure should have been

entered on line 1(a) of Form ACP-8. However, assume that the figure of \$90 was entered on line 1 (a) in place of \$100. In that case the entry on line 1 (a) of the column headed "Correct Amount" in Section II of Form ACP-37 would be \$100, and the entries on line 1 (d), line 3, and line 5 would be raised \$10 over the corresponding entries in the column headed "Amount claimed on ACP-8."

- (b) If receipts were submitted with Form ACP-8 aggregating \$100, that figure should have been entered on line 2 of Form ACP-8. However, assume it is found that receipts amounting to \$20.00 are not acceptable. In that case, the entry on line 2 of the column headed "Correct Amount" in Section II of Form ACP-37 would be \$80.00 and the entries on lines 3 and 4 of such column would be raised \$20.00 over the corresponding entries in the column headed "Amount claimed on ACP-8."
 - (c) If the entry on line 3 of Form ACP-8 is \$100.00 and the entry on line 4 is \$80.00, the entry on line 5 should be \$20.00. However, assume that, due to an error in subtraction, the figure \$30.00 appears on line 5 in lieu of the correct figure of \$20.00. In that case, the entry on line 5 of the column headed "Correct Amount" in Section II of Form ACP-37 would be \$20.00 and the entry on line 7 of such column would be raised \$10.00 over the corresponding entry in the column headed "Amount claimed on ACP-8."
 - (d) If the entry on line 4 of Form ACP-8 was \$500.00 and such entry represented obligations which could not be paid because the check for the previous period was not received and the entry on line 3 was zero, the entry on line 5 would be minus \$500.00. If in such case the entry on line 6 was \$300.00, the entry on line 7 would be \$800.00 (the sum of the entries on line 6 and line 5 disregarding the minus sign on line 5). Assuming that the State committee has approved payment of the previous voucher in the amount of \$500.00, the entries in the column headed "Correct Amount" for lines 4, 5, 6, and 7 in Section II of Form ACP-37 should be the same as the entries in column headed "Amount claimed on ACP-8" and the entry in the "Correct Amount" column on line 8 should be the amount of the check for the previous voucher, namely \$500.00.
- (2) Make the computations on Form ACP-8 as follows:

- (a) Determine that the total for item 1 of Form ACP-8 is equal to the sum of the entries on lines 1(a), 1(b), and 1(c).

- (b) Determine that the entry on line 2 of Form ACP-8 is equal to the correct total(s) of column 2 of Form ACP-11 submitted with the current Form ACP-8.
- (c) Determine that the entry on line 3 of Form ACP-8 is equal to the entry for total on line 1 less the entry on line 2.
- (d) The entry on line 4 of Form ACP-8 will represent the amount of unpaid obligations for previous periods existing at the time the current voucher was submitted.

An item of expense becomes an obligation of the association only when such item is approved by the certifying officer on Form ACP-9 or ACP-10. An item of expense ceases to be an obligation of the association when the amount thereof is included on line 2 of Form ACP-8 approved by the certifying officer and is supported by an acceptable receipt or is included on line 5 of Form ACP-8 as an unobligated balance, and such unobligated balance is supported by a satisfactory memorandum of explanation over the signature of the chairman or secretary of the county association.

- (e) Determine that the entry on line 5 of Form ACP-8 is equal to the entry on line 3 less the entry on line 4. If the entry on line 3 is less than the entry on line 4, the entry on line 5 should be the entry on line 4 less the entry on line 3, such difference to be preceded by a minus sign (-).
- (f) Determine that the entry on line 6 of Form ACP-8 is equal to the correct total of column (9) of Form ACP-9.
- (g) Determine that the entry on line 7 of Form ACP-8 is equal to the entry on line 6 less the entry on line 5. If the entry on line 5 is preceded by a minus sign (-), the entry on line 7 should be the sum of the entries on line 5 and line 6 (disregarding the minus sign (-)). If the entry in line 5 is not preceded by a minus sign and is larger than the entry in line 6, the entry in line 7 should be the entry in line 5 minus the entry in line 6, such difference to be preceded by a minus sign.

(h) If it was necessary to use Form ACP-37, prepare the form in quadruplicate as follows:

(1-a) Make entries in the heading of the form as indicated thereon.

(2-a) Make entries in Section I of Form ACP-37 as follows:

(a-1) Enter in Section I the individual items on Forms ACP-9 and ACP-10 which have either been reduced or suspended. Such items should be identified by entering the name of the claimant and his title, if any, shown in columns (1) and (2).

(a-2) Indicate immediately opposite each such item the amount by which column (9) of Forms ACP-9 or ACP-10 is being reduced, and state the reason for such reduction. Indicate those items which cannot be reclaimed.

(a-3) When all items which have been suspended or reduced have been entered in Section I, enter the total amount by which column (9) of Form ACP-9 is being reduced.

(a-4) In the case of items which can be reclaimed if the necessary information is submitted and items marked with an asterisk (*) on Form ACP-9 or ACP-10, explain definitely the information required to render such items reclaimable and the exact manner in which reclaims should be entered on Form ACP-9 or ACP-10.

(a-5) Where the total of column (9) of Form ACP-9 has been corrected upward and Form ACP-8 could not be approved in an amount sufficient to pay all obligations of the association existing at the time the current voucher was certified, it should be explained that the difference may be shown on line 4 of the next voucher as unpaid obligations. In such cases, it should be explained that it will not be necessary to claim such difference on a supplemental Form ACP-9 or ACP-10, and that the receipt Form ACP-11 should be prepared in accordance with the corrected entries on Forms ACP-9 and ACP-10.

Review of Forms ACP-8, ACP-9, ACP-10, ACP-11, and ACP-37.

1. When the examination and the computations in connection with Forms ACP-8, ACP-9, ACP-10, and ACP-11 have been completed, such forms shall be reviewed as follows:
 - a. Review the examination and computation work in accordance with the instructions hereinbefore set forth and make such corrections as are necessary. If too many errors have been made in connection with a set of forms, or if a necessary form is missing or a necessary form has not been properly certified, Form ACP-8 shall be suspended in its entirety. In such cases, prepare a letter of suspension to the secretary of the association, pointing out the corrections which are necessary and requesting the submission of a corrected form or set of forms.
 - b. If it was not necessary to prepare Form ACP-37 in connection with the computation of the items on Form ACP-8, enter on line 9 of Form ACP-8 the entry on line 7 and enter a zero on line 8. However, if Form ACP-37 was prepared and all checks for previous periods had been received by the association, enter on line 9 of Form ACP-8 the entry on line 7 of the column headed "Correct Amount" in Section II of Form ACP-37, or the entry on line 7 of Form ACP-8, whichever is the smaller. Enter on line 8 of Form ACP-8 the difference between the entry on line 9 and the entry on line 7 thereof. If Form ACP-37 was prepared and the check for all previous periods had not been received, enter on line 9 of Form ACP-8 the entry on line 7 of the column headed "Correct Amount" in Section II of Form ACP-37 or the entry on line 7 of Form ACP-8, whichever is the smaller, less the amount of any checks which have not been received for previous periods. Enter on line 8 of Form ACP-8 the difference between the entry on line 9 and the entry on line 7 thereof. If no Form ACP-37 was prepared and the entry in line 7 of Form ACP-8 was preceded by a minus sign or if a Form ACP-37 was prepared and the entry in line 7 of the correct amount column of such form was preceded by a minus sign, enter a zero in line 9 of Form ACP-8 and enter in line 8 of such form the amount of the entry on line 7 of Form ACP-8 or Form ACP-37, whichever is applicable (using the minus sign).
 - c. Initial the State office copy of Form ACP-8a and Form ACP-37, if any, and forward Form ACP-8 and related forms to the certifying officer.
 - d. The name and title of the certifying officer and the date shall be typed on Form ACP-8, and on all copies of Form ACP-8a and the name of the certifying officer, the name of the State office, and the date shall be typed on the original and all copies of Form ACP-37, if any.
 - e. The certifying officer shall sign Form ACP-8 and Form ACP-37; if any, in the spaces provided for his signature.
 - f. When Form ACP-8 and Form ACP-37, if any, have been signed by the certifying officer, forward all Forms ACP-8, ACP-9, and related forms and papers to the clerk in the Fiscal Section who prepares Standard Form 1064, Schedule of Disbursements.

Scheduling Forms ACP-8 and Related Forms.

1. The scheduling clerk will prepare Standard Form No. 1064, Schedule of Disbursements, in accordance with existing procedure, except that the form shall be prepared in quintuplicate (original and four copies)
2. An adding machine tape showing the total of all entries on line 9 of each Form ACP-8 which was schedule on a set of Forms 1064 should be attached to such set of Forms 1064.

Review of Standard Form No. 1064, Schedule of Disbursements.

1. The review clerk will determine that all entries have been made correctly.
2. Determine that the total on the adding machine tape agrees with the total on the last line in the last column of Form 1064. If the amounts do not agree, check the individual entries in the last column of Form 1064 against the entries on line 9 of the related Forms ACP-8.
3. The certifying officer shall sign the original of Forms 1064 and enter his title in the space provided therefor. The name and title of the certifying officer shall be typed on all copies of Form 1064.

Distribution of Forms.

1. Upon approval of Form ACP-8 and other related forms and papers, the Fiscal Section will distribute them as follows:
 - a. Forward to the Regional Disbursing Office:
 - (1) Form ACP-8.
 - (2) One copy of Form ACP-8a.
 - (3) Original of Form ACP-9.
 - (4) Original of Form ACP-10.
 - (5) Original of Form ACP-11.
 - (6) Original of Forms ACP-12, if any.
 - (7) Canceled checks, if any were used in lieu of Form ACP-12.
 - (8) One copy of Form ACP-37, if any.
 - (9) Original and three copies of Form 1064.
 - (10) Original of all powers-of-attorney or supporting documents submitted in connection with Form ACP-11.
 - (11) Receipts, invoices, bills, and other supporting documents submitted in connection with Form ACP-9.
 - b. Forward to the Control Accounts and Reports Section, Agricultural Adjustment Administration, Old Post Office Building, Washington, D. C., one copy of Form ACP-11 signed by the association treasurer.
 - c. Forward to the Association:

- (1) One copy of Form ACP-8a.
- (2) One copy of Form ACP-9.
- (3) One copy of Form ACP-10.
- (4) One copy of Form ACP-11 (if one copy other than the original has the signature of the payees thereon, such copy should be forwarded to the association).
- (5) Original and one copy of Form ACP-37, if any.

The above copies shall be stamped "Return to the County Association Office."

- d. Retain the remaining copies of all forms in a pending file in the Fiscal Section of the State office.
2. The Regional Disbursing Office will forward one copy of Form 1064 to the Control Accounts and Reports Section, Agricultural Adjustment Administration, and will return one copy of Form ACP-8a and one copy of Form 1064 to the State office.
- a. The State office files should contain:
 - (1) The copy of Form ACP-8a returned by the Disbursing Office.
 - (2) One copy of Form ACP-9.
 - (3) One copy of Form ACP-10.
 - (4) One copy of Form ACP-11.
 - (5) The copy of the List of Approved Titles and Rates.
 - (6) One copy of Form ACP-37, if any.
 - (7) One copy of NCR-County No. 23, if any.
 - (8) The copy of Form 1064 returned by the Disbursing Office.
 - (9) The original of Form NCR-County No. 17, and the originals, if any, of Forms NCR-County No. 17A, NCR-County No. 26, and NCR-County No. 26A.

PART VI. TREASURER'S REPORT FORMS

1. Form NCR-County No. 17, Bank Reconciliation - Regular Account.
2. Form NCR-County No. 17A, Summary of Transactions and Bank Reconciliation - Commodity Account.
3. Form NCR-County No. 26, Record Memorandum of Reimbursable Association Expense in Connection with Steel Bins and Steel Bin Corn.
4. Form NCR-County No. 26A, Record Memorandum of Reimbursable Association Expense in Connection with Sugar Beet Allotment Committee.

Determine that the above forms have been prepared in accordance with instructions in NCR-604. Forms received which are administratively unacceptable shall be returned to the association for correction.

The State office may require associations to submit Forms ACP-21 in support of entries for personal services and travel shown on Forms NCR-County No. 26 and 26A. All Forms ACP-21 so forwarded by an association to the State office shall be returned to the association.

The copies of the above forms on file in the association office shall be audited at the time of each regular audit and at such other time as the State committee may deem advisable.

As of the last day of each month the State office will prepare in duplicate on Forms NCR-County No. 17A, NCR-County No. 26, and NCR-County No. 26A a summary of the data appearing on the respective forms received from the individual associations. The original of these summaries shall be forwarded promptly to the regional office in Washington.

PART VII. PREPARATION OF COUNTY ASSOCIATION EXPENSE REPORT,
FORM NCR-632, SUMMARY OF COUNTY AGRICULTURAL CONSERVATION
ASSOCIATION EXPENSES

Procedure contained in NCR-State 503 and Supplements thereto shall be followed in the preparation of NCR-532 for the remainder of the 1941 calendar year.

Forms NCR-632 and instructions pertaining thereto will be forwarded at a later date.

PART VIII. PROCEDURE FOR AUDITING THE REGULAR
ACCOUNT, COMMODITY ACCOUNT, AND
WHEAT MARKETING QUOTA FUNDS

REGULAR ACCOUNT

Audits shall, in all cases, be made without previous notice of arrival of the auditor in the association office. It is suggested that as a matter of policy auditors rotate their routes in such manner that two successive audits in a county will not be made by the same auditor. Insofar as is practicable to do so an auditor shall make audits of the regular account, the commodity account, marketing quota penalty funds, and the inventory verification in a single visit to the association office. The auditor should request and the county committee should furnish the services of the treasurer and another office employee to assist him in making the audit.

Preparation by the Fiscal Section of Information for County Association Auditors.

1. The Fiscal Section will furnish in duplicate Form ACP-123, Fiscal Report of County Association Records and Accounts, on which entries have been made in columns (a), (b), (c), (d), and (g) for all months to be covered by the audit. In the event that receipt forms ACP-11 or ACP-12 for any month previous to the first month listed in column (a) were approved by the State committee after the first date covered by this report of audit, enter the amount of Form ACP-11 approved for each such month separately in column (g) and enter in parentheses, following the amount, the month and year.

Procedure to be followed by the Auditor in auditing fiscal records and accounts of Agricultural Conservation Associations.

1. Audit of Forms ACP-8a, ACP-9 and ACP-10, ACP-11, ACP-12, ACP-21 and Canceled Checks.
 - a. The auditor will call for the following records at the county office: Approved copies of Forms ACP-8a, ACP-9, ACP-10, ACP-11, and ACP-12, signed originals of Form ACP-21, bank statements, deposit slips, canceled checks, and check stubs for all months beginning with the first month listed in column (a), Table I of Form ACP-123. In case receipt forms ACP-11 and ACP-12 for any month previous to the first month listed in column (a) are listed, approved copies of such receipt forms should be included.
 - b. If approved copies of Forms ACP-8a, ACP-9, ACP-10, ACP-11, and ACP-12 for any month subsequent to those listed in column (a) of Form ACP-123 have been received by the county association, list such month in column (a) of such form.

Make corresponding changes in column (c) and column (d) and also in column (b) if the Treasury check has been received. Make necessary entries in column (g) for any approved Forms ACP-11 received by the county association from the State committee since Form ACP-123 was prepared by the Fiscal Section.

- c. The auditor should compare entries on Forms ACP-21, ACP-9, ACP-10, ACP-11, and ACP-12, and the association checks (using the check stub if the check has not been canceled). Records for every month should be compared thus in detail. Each canceled check shall be checked against the corresponding entry on the bank statement for all months.
- d. Discrepancies found should be listed. However, if the same types of discrepancies appear repeatedly, samples of discrepancies should be listed rather than all individual discrepancies.
- e. The total of association checks issued and canceled for each month should be entered in column (e) of Form ACP-123, and the total checks issued for the month but not yet canceled should be entered in column (f). The total of column (e) and also of column (f) should be determined and entered.
- f. Lists by months should be prepared for each of the following:
 - (1) All items listed on the approved Forms ACP-9 and ACP-10 for which checks have not been drawn or for which incorrect checks have been drawn. Such list should be totaled and headed "Unpaid Obligations" and "Incorrect Payments".
 - (2) All items listed on the approved Forms ACP-9 and ACP-10 for which checks have been drawn but not canceled, showing the name of payee, check number, date, and amount. Such list should be totaled and headed "Checks Outstanding".
 - (3) Farm Loan Corn - Expenses and Collections in Connection with the Delivery to Commodity Credit Corporation.

The auditor shall determine that the Commodity Credit Corporation has reimbursed the association for expenses incurred by the association, if any, in connection with the delivery of loan corn to CCC in those cases in which such expense has not been paid by the borrower or through the sale of corn. This determination shall be made by checking all CCC corn Forms W and attached itemized expense statements. The amounts so due shall be checked against NCR-County No. 23. In case reimbursement has been made, the expense statement shall be identified by the auditor initialing and dating the statement.

2. Reconciliation of Bank Balance.

a. Determination and Certification of Bank Balance.--

The auditor shall request an official of the bank to certify the association bank balance in the space provided therefor on the reverse side of Form ACP-123. The auditor shall determine whether the certified bank balance represents the correct balance considering the amounts received and the amounts paid out by the association from the date of the last previous audit through the last date covering by the current audit. This should be done on the reverse side of Form ACP-123, headed "Reconciliation of Bank Balance", as follows:

- (1) Enter in line 1 the unobligated balance as of the last audit (item 11).
- (2) Enter in line 2 the amount of checks written before the date of the last audit still outstanding when the previous audit was made.
- (3) Enter in line 3 the amount of U. S. Treasury checks for association expenses received during the period covered by the audit. Obtain this amount from the total of column (b), Table I.
- (4) Enter in line 4 the total amount of collections approved on line 1(c) of Form ACP-8 or Form ACP-37 for the period covered. Obtain this entry from the total of column (c), Table I.
- (5) Enter in line 5 the total of collections made by the association treasurer since the most recent voucher Form ACP-8 was transmitted to the State office. Obtain this entry from deposit slips in the county office and from the association treasurer. Check the amount of each deposit against the corresponding deposit on the bank statement for all months. Because the entry on line 5 of the last previous Form ACP-123 would normally be included in the entry in line 1 and in the entry in line 4 of the current report it will be necessary in the preparation of the current report to deduct the amount of the entry in line 5 of the last previous audit report from the total of column (c), Table I, of the current report before such total is entered in line 4 of the current report.
- (6) Enter in line 6 the sum of lines 1, 2, 3, 4, and 5. Such entry will show the amount of funds for which the association treasurer is accountable for the period covered.

- (7) Enter in line 7 the amount of checks drawn in a previous period and canceled this period. Check each canceled check against the bank statement. Attach a list of checks drawn in a previous period and still uncanceled.
- (8) Enter in line 8 the amount of checks drawn this period and canceled this period. Check each canceled check against the bank statement. Obtain this entry from the total of column (e), Table I.
- (9) Enter, in line 9, the entry in line 6 minus the sum of line 7 and line 8. The result should show the amount of funds for which the association treasurer is still accountable and should agree with the bank balance as shown in line 12.
- (10) Enter in line 10 the amount of obligations remaining unpaid. Obtain this entry by adding the amount of all outstanding checks (total of entry in column (f) plus the total of uncanceled checks from previous audit period).
- (11) Enter in line 11 the amount of the unobligated balance. The sum of the entries in lines 10 and 11 should equal the entry in line 9.
- (12) If the entries in line 9 and line 12 are not the same, determine the reasons for such difference and explain such reasons **briefly in a memorandum.** If a difference exists, determine whether any checks have been issued or any sums deposited which have not been included in the entries in Table I.
- (13) Enter in line 1, after the word "to" in the heading of the form, the final date of the audit. This should be the same as the date shown on line 12 on the reverse side of the form.

In making the audit of the Regular association account the auditor shall:

1. Check all amounts shown on Forms NCR-County No. 26 and 26A against the entries on Forms ACP-21 under "Nature of Work Performed" and against duplicate bills on file for materials and services. Upon completion of this check the auditor will initial all Forms NCR-County No. 26 and 26A checked.
2. Make inquiry as to condition of and care given corn service equipment costing \$100 or more. This information shall be included in the auditor's administrative report.
3. Determine to his own satisfaction that the persons paid for personal services claimed on Forms ACP-9 and ACP-10 were actually employed by the association and under the title and rate shown. At least ten percent of the association personnel listed on Forms ACP-9 and ACP-10 for a month shall be personally contacted by the auditor in making this check.

4. Verify State office record of banks with which association maintains accounts.

The auditor will not advise the association treasurer how to adjust differences found, but shall report such differences to the State committee.

Form ACP-123 shall be prepared in duplicate, including copies of all lists and memorandums called for in these instructions. The original and copy shall be signed by the auditor. The original of Form ACP-123 and supporting papers shall be reviewed by a member of the State committee and, if found administratively acceptable, shall be initialed by him for filing with the Fiscal Section. The copy shall be retained in the county association files. Form ACP-123 shall not be considered administratively acceptable if it does not have attached an audit report in narrative form.

COMMODITY ACCOUNT

The auditor shall obtain a bank statement as of the close of the previous day's business, prepare Form NCR-County No. 17A in triplicate for the period covered by the audit, and then check each amount shown thereon as follows:

- | <u>Item</u> | <u>Must Be Equal To</u> |
|-------------|---|
| 1. | Balance on hand at time of previous audit as shown by bank reconciliation prepared by the auditor. |
| 2. | Total of service fees shown on all CCC Corn Forms A. If not, check notes against individual entries on Form-Commodity Loan-4, Corn. |
| 3. | Total of service fees shown on all CCC Wheat Forms A and B. If not, check notes against individual entries on Form-Commodity Loan-4, Wheat. |
| 4. | Total of service fees shown on all CCC Grain Forms A, Rye. If not, check notes against individual entries on Form-Commodity Loan-4, Rye. |
| 5. | Total of service fees shown on all CCC Grain Forms A, Barley, and CCC Barley Forms B.
If not, check notes against individual entries on Form-Commodity Loan-4, Barley. |
| 6. | Total of collection shown on all Forms 40-Corn Loan 23. |
| 7. | Total collections shown on all Forms CCC Corn Form X-2. |
| 8. | Total collections shown on receipted Forms 40-Corn Loan 23A, sale of steel bins. |
| 9. | Total all CL-2 receipts. |
| 10. | Total of all related CCC or other forms. |
| 11. | Same as item 10. |

Item

Must Be Equal to

12. Same as item 10.
13. (a). The sum of items 1 to 12 inclusive.
(b) Total of all deposit slips.
Check the amount of each deposit against the corresponding deposit on the bank statement.
14. Total transmittals shown on all receipted copies of Corn Loan-6 returned by the Commodity Credit Corporation. Check each Corn Loan-6 against the applicable canceled check.
15. Total transmittals shown on all receipted copies of Wheat Loan-6 returned by the Commodity Credit Corporation.
Check each Wheat Loan-6 against the applicable canceled check.
16. Total transmittals shown on all receipted copies of Rye Loan-6 returned by the Commodity Credit Corporation.
Check each Rye Loan-6 against the applicable canceled check.
17. Total transmittals shown on all receipted copies of Barley Loan-6 returned by the Commodity Credit Corporation.
Check each Barley Loan-6 against the applicable canceled check.
(Items 14, 15, 16, and 17 must also be equal to the respective entries on Form NCR-532.)
18. Total transmittals shown on all forms 40-Corn Loan-23. Check each 40-Corn Loan-23 against the applicable canceled check.
19. Total of collections shown on all CCC Corn Form X-2. Check each CCC-Corn Form X-2 against the applicable canceled check.
20. Total collections shown on the receipted copies of 40-Corn Loan-23A, Sale of Steel Bins, returned by the Commodity Credit Corporation.
Check each 40-Corn Loan 23A against the applicable canceled check.
21. (a) Total of "Refund to Purchaser after Weighing" on all copies of 40-Corn Loan-23.
(b) Total of all receipts from purchasers.
Check each canceled check against the applicable receipt from purchaser.
22. Total of all statements and receipts received from laboratories.
Check each statement and receipt against the applicable canceled check.
23. The total of all CCC or other forms and the canceled check if there is an entry.
24. Same as item 23.

25. Same as item 23.

26. Total of items 14 to 25 inclusive.
Check each canceled check off the bank statement.

27. (a) Item 13 minus item 26.
(b) All unpaid obligations. (Prepare schedule of unpaid obligations.)

28 to 35. Complete the bank reconciliation in the regular manner.

Upon completion of the audit all Forms X-2 and 40-Corn Loan 23 and 23A shall be initialed by the auditor.

Special attention must be given to date, signature, and endorsement on each check; to the dates and signatures on receipts; and to the date on statements.

Each copy of Form NCR-County No. 17a shall be dated and signed by the auditor. The original and second copies respectively to be forwarded to the Director of the North Central Division and the State office. The third copy shall be filed in the Banks Records files of the county association office.

AUDIT OF WHEAT MARKETING QUOTA FUNDS

1. SERIALLY NUMBERED FORMS:-

From the receipted copy of form Wheat 515, Letter of Transmittal and Receipt, on file in the State office make a list of the inclusive serial numbers of the following forms sent to the county office.

- a. Wheat 511, 1941-42 Marketing Year - Wheat Marketing Card.
- b. Wheat 511-A, Certificate that Wheat Marketing Card was issued.
- c. Wheat 512, Report and Penalty Receipt for wheat not identified by a Marketing Card, Marketing Certificate, or Intermediate Buyer's Record and Report. (Number of books and to whom sent)
- d. Wheat 517, Receipt for Penalty Remitted or Money Deposited to Secure Payment of Penalty.
- e. Wheat 521, Intermediate Buyer's Record and Report.

The auditor should determine that all the above forms are accounted for.

2. FORM WHEAT 513 - NOTICE OF FARM MARKETING QUOTA AND FARM MARKETING EXCESS:-

County office employees should have sorted all Forms Wheat 513 into the following groups:

- a. Those showing no Farm Marketing Excess in column E.
- b. Those showing Farm Marketing Excess in column E.

- (1) Those on which adjustments of the farm marketing excess have been made on the basis of actual yield.

If this has not been done, employees of the association shall so sort all forms Wheat 513 before the auditor starts his audit.

3. AUDIT OF WHEAT 513 SHOWING NO EXCESS WHEAT ACREAGE:-

Check a representative sample of Wheat 513 as follows:

<u>Wheat 513</u>	against corresponding entries on	<u>Form</u>
a. 1941 Wheat Acreage, column A		NCR-406, Wheat Acreage Report or NCR-517, Farm Report
b. 1941 Wheat Acreage Allotment, column B		FCI-103-W, Crop Ins. Listing or NCR-509-W, Wheat Listing Sheet

c. Normal Wheat Yield per acre, column D Same as item 3b above

d. In checking the above determine that the entry in Column A does not exceed the entry in column B of Form Wheat 513.

4. AUDIT OF WHEAT 513 SHOWING EXCESS WHEAT ACREAGE:-

Check a representative sample of Wheat 513 as follows:

- | <u>Wheat 513</u> | against corresponding entries on | <u>Form</u> |
|--|--|-------------|
| a. 1941 Wheat Acreage, column A | | Same as 3a |
| b. 1941 Wheat Acreage Allotment, column B | | Same as 3b |
| c. Normal Yield per Acre, column D | | Same as 3c |
| d. Determine that one of the following has been executed in the correct amount for each Form Wheat 513 showing a farm marketing excess in column E or that the case has been reported to the State committee. | | |
| | (1) Wheat 517, Receipt for Penalty Remitted or Money Deposited to Secure Payment of Penalty. | |
| | (2) Warehouse receipt held in escrow. | |
| | (3) Wheat 522. | |
| | (4) Wheat 523, Bond of Indemnity. | |
| e. Check all computations. | | |
| f. For each Wheat 513 showing a farm marketing excess check the appropriate documents (bonds, warehouse receipts, and Wheat 517) against the corresponding entries on Wheat 522. | | |
| g. Determine that the sum of the amounts entered in column 5 of form Wheat 517 equal the sum of the amounts transmitted to the State office on form Wheat 529, Schedule of Remittances - Wheat Marketing Quotas, as shown by the receipted copy returned by the State office. | | |
| h. Determine that substantiating evidence, such as sales receipts, combine or threshing tickets, or other evidence the county committee has accepted as proof of the actual yield, are on file in the county association office for each Wheat 513 showing excess wheat acreage on which adjustment of the farm marketing excess has been made on the basis of actual yield. | | |

In making the audit of wheat marketing quota funds the auditor shall utilize the aid of association office employees as much as possible.

Audit Report

The auditor shall prepare and certify to a narrative report concerning each audit completed and submit such report to the State committee. Each narrative report shall indicate how much time was spent by the auditor in making the audit of each account maintained by the association. The auditor shall comment only upon those questions in the following list which, in his opinion, are in need of correction and should therefore be called to the attention of the State committee. It will be assumed that any matter not mentioned in the audit report has been checked and found satisfactory.

REGULAR ACCOUNT

1. Are Forms ACP-8, NCR-County No. 23, ACP-37, ACP-9, and ACP-10, with copies of invoices and supporting papers, properly attached to the inside front cover of manila file folder with an Acco fastener in the order provided in procedure?
2. Are time sheets (ACP-21) filed in the proper order and fastened to the inside back cover of the above manila folder?
3. Are the monthly bank statement, Form ACP-11 (approved copy), ACP-12, copies of supporting explanatory documents, and bank deposit slips attached in the proper order to the inside back cover of a manila folder?
4. Are all cancelled checks pertaining to a month arranged in the same order as the names appear on ACP-11 and fastened to the inside front cover of the above manila folder?
5. Was any improper or incorrect claim made on Form ACP-21?
6. Were all entries in agreement on Forms ACP-9, 10, 11, 12, and 21 and cancelled checks?
7. Was there any item remaining unaccounted for on the bank statements after cancelled checks and deposit slips were checked off against the bank statements?
8. Was any time sheet (ACP-21) unsigned or unapproved?
9. Was any time sheet incomplete as to "nature of duties?"
10. Are all records maintained in the office of the association?
11. Have all collections been made for inspection of association records in accordance with procedure (CAS-41-12)?
12. Are reclaims and supplemental claims properly made?
13. Has any unauthorized advance payment been made?

14. Does each Form NCR-County No. 17 agree with the bank statement as to balance in bank?
15. Is a petty cash fund maintained?
16. Are all leave records correct and up to date?

INVENTORY

17. Are all items properly listed on NCR-County No. 21 and accounted for?
18. Is all equipment and furniture located in the association office,
19. Is any equipment owned jointly, borrowed, or loaned?
20. Is the association's equipment used in connection with steel bin corn in the possession of the association and properly cared for?

COMMODITY ACCOUNT

21. Is the treasurer familiar with the Commodity Loan Procedure?
22. Is a commodity account maintained?
23. Is the commodity account maintained in the same bank as the regular account if there is more than one bank in the town?
24. Are all CCC collections received during the month deposited the same month?
25. Are all transmittals to CCC for completed transactions made each month?
26. Are all commodity loan forms kept current?
27. Are all commodity loan forms filed according to procedure?
28. Are all forms NCR-County No. 17A correct?
29. Were all items on Forms NCR-County No. 26 and 26A supported by entries on Forms ACP-21 and by duplicate bills on file?

MARKETING QUOTA PENALTIES

30. Have all funds received in connection with penalties been scheduled and transmitted to the State office?
31. Did inspection of safety deposit box or safe reveal that all of bonds and warehouse receipts were on hand?
32. Were any other than the proper bonds and warehouse receipts on hand?

PART IX. MISCELLANEOUS

1. Clerical Work Performed in the County Association Office by County Committeemen.-- Insofar as practicable, county committeemen should not perform clerical work in the county association office in connection with any of the programs and shall not perform any clerical work if such work is later subject to review and approval by the county committee.

2. Group Order of Equipment and Supplies by County Agricultural Conservation Associations.-- The State committee may render valuable service to the county associations in ordering proper equipment at a reasonable price. Every effort should be made to purchase such equipment and supplies locally since the exercise of local authority is in keeping with the policy of the North Central Division, if such purchase can be made at no material increase in cost. In any case where the State committee contemplates the purchase of materials or equipment for associations in volume in order that a saving may be effected for the associations, such arrangements should be entered into only after a very careful survey of equipment and supply prices throughout the State and with the written approval of the county committees and the Director of the North Central Division.

The State committee should advise the county committees of the maximum price that can be paid for all supplies and advise further that, if merchandise of comparable quality cannot be obtained locally at such price, the State committee is able to give them the names of concerns that will provide such merchandise at a price not to exceed the maximum. It is suggested that county committees be permitted to purchase office supplies without securing prior approval from the State committee.

3. Regular Reports.-- The State committee will advise the county committee that once each month it should:

- a. Require the treasurer to read a monthly report of collections and deposits covering both the Regular Account and the Commodity Account at a meeting of the committee.
- b. Require the secretary or chief clerk to make a report of progress on the work in the county office.
- c. Make a committee report and discuss the general features of the current farm program with members of the association who may be in attendance at the meeting.
- d. Transact such other business as may properly come before the committee for consideration at a regular monthly meeting.

A copy of the minutes of this regular meeting, signed by the chairman and secretary of the committee, shall be forwarded to the State office. Insofar as practicable, it is desirable for a representative of the State office to attend these meetings.

4. Emergency Provision.-- In all cases where the supply of approved forms is exhausted and an additional supply is not immediately available, the State committee is authorized to provide for the mimeographing or dittoing of such forms in sufficient number for immediate needs.
5. Non-Deductible Allocation.--In the allocation of non-deductible funds by the State committee, it is important that association losses by fire, wind, flood, or theft be taken into consideration and additional funds provided associations suffering such loss. Amounts paid to Review Committeemen shall also be considered.
6. In case of a change in the status of a county or community committeeman and secretary-treasurer reported by an association such change should be reported immediately by the State office to the North Central Division.
7. The State committee should have a record of all banks with which county committees maintain an account and the auditors should verify this information at each visit to the county office. Any changes should be included in their report of audit.
8. All requests for use of data on file in association offices shall be submitted to the State office for approval. In those cases where the request is for information the making available of which has not been covered by A&F-41-3 or CAS-41-12 or other approved procedure, the request, if approved by the State committee, shall be forwarded to the Director for approval.

ADMINISTRATIVE APPROVAL

This procedure for the State office relating to County Agricultural Conservation Associations for the 1942 program in the North Central Region is issued with the approval of the Administrator, effective November 15, 1941

Harry N. Schooler, Director,
North Central Division
Agricultural Adjustment Administration